

Finance Committee Meeting

February 28, 2006

4:15 P.M.

MEMBERS PRESENT:

Bob Sampson, Chair
Phil Hogan
Merv Jacobs
Bill Oliver

MEMBERS ABSENT

Dave Drobisch
Jay Dunn
John Snyder

COUNTY PERSONNEL PRESENT:

Steve Grimm, Treasurer
Dan Lightner, Zoning Administrator
Jon Baxter, Public Defender
Captain Richard Bright
Amy Stockwell, Auditor
Phil Anello, EMA
Jerry Andrews, Health Administrator
Ken Boles, Asst. State's Attorney
Don Meyer, Court Administrator
Steve Bean, County Clerk
Judge John Greanias
Daysa Miller, Sup of Assessments

This meeting was called to order by Chair Sampson at the Macon County Office Building.

MINUTES

Motion made by Phil Hogan to approve the minutes of January 31, 2006, seconded by Bill Oliver, and motion carried unanimously.

CLAIMS

Motion made by Merv Jacobs to approve the claims, seconded by Phil Hogan, and motion carried unanimously.

REPORTS

Treasurer

Steve Grimm requested a board resolution to execute deeds to convey property which taxes were delinquent totaling \$400 to deposit after going through the board. A sheet for signatures was distributed. Motion made by Bill Oliver to approve sending the resolution to the county board, seconded by Merv Jacobs, and motion carried unanimously.

On the CD investment side, there is just over 6 million dollars which is not centered in any one bank. The judgment CD fund is out and due back March 2; it is out for a year this time. Each time the rest of the 6 month certificates roll out, Steve will talk to the appropriate officeholder about running them out to a year because of the higher rate of interest. An email was sent yesterday for informational purposes showing some of the rates around Decatur, and National City is at 5% now for personal, not for us.

Copies of the safety tax receipts and general sales tax receipts received in his office for February 2006 were distributed. Safety tax is up again from \$188,802 a year ago to \$196,748. Income tax also showed an increase. An information sheet was included explaining income taxes. The general fund today after payment of Blue Cross/Blue Shield is \$1,879,900.

Merv Jacobs asked what the balance is in the judgment fund; Steve Grimm said the CD is almost \$2,046,000 and the last time he looked at the checking account, it was a little over 1 million for a total of around 3 million.

There was an updated list published recently in the Herald & Review from the state treasurer's office of unclaimed property including proceeds from estates, forgotten bank accounts, security deposit checks, etc. Steve has it in his office along with mail-in forms which are self-explanatory, and anyone is welcome to check the list.

County Clerk

Steve Bean received a letter from the State Board of Elections saying they had money left over from their computer account; since Macon County had to put in an I Voter last year, they are going to give us a payment of around \$62,000. With the three year agreement we have with Fidlra of around \$79,000, along with \$16,000 spent already in hardware, Steve is requesting a resolution approving the money be put in the HAVA account to spend for future payments with Fidlra or looking at the idea of purchasing a program to create ballots in-house which would save money down the road and cut down on lead time. Chair Sampson asked if the expenditure line would also need to be increased, and Steve Bean said it would; there will be approximately \$62,500 coming in and it may not all be spent this year. He will get the correct amount and the appropriate accounts for the HAVA line to the board office. Amy Stockwell requested a copy of the agreement.

Motion made by Merv Jacobs to approve accepting the money in the HAVA line, seconded by Phil Hogan, and motion carried unanimously.

Salary information for the last five years for certain employees was put in mailboxes. Steve tried to get a survey of other clerks, and received an email back since they are all busy running elections; the clerk from McLean County now makes \$74,000 while he makes a lot less. She does not handle the local register of vital records since her health department does, she only has 66 precincts since the city of Bloomington is run by the Bloomington Election Commission, and she does not do passports.

Steve said he is already over 200 passports this year; if 100 passports are averaged per month, it would be \$36,000 in revenue. Steve said he gets the typical stipend everyone else gets (except the auditor). Since he has not submitted anything else in writing, he is saying this tonight.

Chair Sampson asked if it was agreeable with the committee to put on the April 4 agenda a discussion of officeholder salaries and trying to put together what we are going to do if anything. Phil Hogan asked when it was due. Steve Bean said it has to be done 180 days before the election. Chair Sampson said it needs to be on the April or May committee agenda to be in the board packets for May. Steve Bean said they had come back in special session twice over the past few years to pass salaries. Chair Sampson asked the committee to gather information they have and to call him or the officeholder if there are any questions; it is the county clerk, treasurer, and sheriff.

Auditor

Amy Stockwell said our IMRF representative is in Macon County today talking to the deputies about the impact of the bill which was passed, PA 94 712, which increases the formula for IMRF SLEP. The employee share will be increased the first of July, and our rates will go up because of this in 07. Amy said it gives a slightly richer package to employees covered by SLEP and the cost is shared by the employee and the employer; they are not sure yet how much the employer portion will increase. This is the time of year they start talking about what the rates are going to be the next year, and the investment performance in 05 exceeded their target rate. In their five year cycle, they are on track with investment performance. Hopefully, there will not be any big change up or down with IMRF rates. Amy invited committee members to accompany her to the IMRF meeting.

Amy received from the bipartisan commission on government forecasting accountability, a staff group who looks at revenue forecasting for the state, a state of the state economic report. It talks about a modest recovery, compares Illinois to the rest of the country, employment patterns, industries which are growing, projects underway, etc. One of the bright spots in the employment picture is Caterpillar.

State's Attorney

Ken Boles said the Child Advocacy Center has been given an additional \$10,000 by DCFS, and it has to be spent prior to June 30, 2006. Ken is asking the budget be amended to add the additional \$10,000 and add it in to various line items so the money can be spent. Ken will prepare a resolution for the next board meeting. Motion made by Bill Oliver to approve sending the resolution to the county board, seconded by Phil Hogan, and motion carried unanimously.

Judge Greanias

Judge Greanias asked to speak about the automation fund which was previously discussed a few months ago. He doesn't think the board was briefed well enough to have a complete understanding

of the needs and requirements. He wanted Kathy Hott to be here for discussion and questions, but he was advised she is ill today; he will not ask for a resolution until she can appear before you. The issue is money to finance the technology of the court. There are two funds which support the clerk and court technology, the automation fund and the document storage fund, and both are provided by statute. When anyone pays a traffic fine or files a lawsuit, at the present time they pay \$5.00 for each of those cases for the automation fund and \$5.00 for the document storage fee.

A sheet was distributed showing \$99,000 as the average for receipts over the past few years for each fund. Currently, \$99,000 is available in the court automation fund and \$99,000 in the document storage fund, and that money is not adequate for court technology. In 1992, the automation fee and the document storage fee were raised from \$3.00 to \$5.00 and there was one IBM mini-mainframe computer in the clerk's office with around 18 terminals connected. Judge Greanias said they still have that now but with more terminals, and a complex computer network for the court. At last count, there were 116 computers; in addition there is technology for recording everything which goes on in court rather than being taken down by court reporters. Every courtroom is now recorded by digital recording which is also maintained. All court reporters use digital recording equipment, and judges have on-line automated research which is vital to them doing their jobs. Unlike some counties, Macon County has no research clerks for the judges; judges

do their own research by accessing on-line from the bench, in chambers, and from home when work is taken home during evenings and weekends to keep up with caseloads. The \$198,000 does not come close to doing it, and Judge Greanias said it is fortunate a reserve has been built up over the past few years.

The last time updating was done on the IBM main computer was in August 03, and the cost was \$125,000. It will have to be updated again due to ever-changing software along with new hardware to keep up with the software. If all 116 computers had to be replaced at one time, it would cost well in excess of a quarter million dollars. The last change out of a large number was about one year ago at a cost of around \$50,000. For hardware and software maintenance last year, \$45,500 was paid. The salary of the court technology administrator also comes out of this.

Judge Greanias said it is a vast, complex system and it is run very efficiently at a cost much lower than metropolitan counties in central Illinois. An automated system will be purchased this year for jury summons and although it is not known if it will save money, it will make life better for the sheriff, the courts, and jurors; it hopefully will reduce the number of people who have to be called for contempt because they do not appear and should eliminate the need for the sheriff to serve jury summons. It should also reduce the days when jurors come in and lose a day of work when there is nothing for them to do. All this takes work, money, and automation, and we need to keep up with other counties since it is already installed in Springfield and Bloomington, and Champaign has their own system. Electronic filing will have to be initiated and it is being worked on now since paper cannot be filed anymore in federal courts in Illinois; it has to be done electronically.

Judge Greanias asked to revisit the impact any increase in fees has on the general corporate fund. If the \$5.00 fee is increased to \$10.00, another \$99,000 will be added. A sheet showing the effect was distributed along with a sheet explaining Rule 529 showing how the money which is paid for traffic fines is disbursed. It is not something we can change since it is a Supreme Court rule; it says the money which is received for traffic fines, the automation and data storage fees have to come out first before any money goes to the county, the city, or the state. If an additional \$99,000 is collected, money which goes to the county, city and state will go down by \$24,057 to the county, \$20,315 to the city and \$9,088 to the state since the additional \$5.00 has to come out before those agencies get anything.

Merv Jacobs asked Judge Greanias if it was not tough to approve a raise and lose money; Judge Greanias said otherwise he did not know where money for automation would come from and the money has to be there for automation. Also, the legislature recognized that automation needs to be financed from fees and that is why they allow increases up to \$15 in each fund. Judge Greanias said the county board has the power to make it \$15 which would bring in another \$200,000 in each fund for a total of \$400,000 and in a few years, that amount may be needed. Additional money given up would be doubled if it was increased to \$15. New money is people who don't pay traffic fines since it is only traffic fines that we lose money on. Judge Greanias said we only lose money if we think of it in terms of you don't have to provide automation for the courts when in fact you do; you have to provide a way to provide funds for court automation. Chair Sampson asked if the automated jury system is used in federal court, and Judge Greanias said they have their own home-grown system. Judge Greanias said he would come back and go into more detail. Because of changes in software, substantial changes need to be made to their system.

Judge Greanias will be entering into a contract with R.K. Dixon which does not require board approval since he has money in his budget, and a bill will be coming through for payment. It is \$9,500 for a professional review and recommendation on migrating their system from Novell network to the Microsoft system which is necessary for compatibility with the systems they have. Bill Oliver asked if other changes would need to be made in the circuit clerk's office after the changes are made or if it would cover her too. Judge Greanias said it will cover court and circuit clerk, and this is just a consultation to say how to run the system most efficiently, type of equipment needed in the future, and assisting in acquiring it.

NEW BUSINESS

Captain Bright discussed the certified mailing of tax papers on redemption of tax buyers. They are papers which cannot be served in person or on an abode so they are sent certified mail. The cost

has been \$10 for as long as he can remember. It costs \$4.64 in postage and \$5.00 to return to the clerk, so 36 cents is being made per tax paper which is not good economics. Approximately 200 papers are handled under this process per year, and the others are sent out with a deputy or process server to be actually served on a person or an abode and they carry a \$30 fee plus mileage.

A sheet was distributed showing comparables in surrounding counties and Piatt County is the only one in the same realm as us. Captain Bright said they would like to choose a \$20 increment since they don't want to go to the high end of the scale and lose business; many customers were lost when the service fee was raised to \$30 plus mileage but they cannot continue to operate at a deficit. Steve Bean said they can only legally go to \$18.42. Captain Bright said he could not find anything in the statutes where they are regulated under this process, but if there is a statutory limit, he would like it raised to the statutory limit. It was not part of the Maximus study; the tax buyer is charged and pays the fee. Steve Bean said the tax buyer then files it with the county clerk's office and it is added on to the redemption amount if the individual is going to pay it back; it goes on the billing for the property owner. Merv Jacobs asked Captain Bright if tax buyers were the customers they lose. Captain Bright said whenever the other fees were raised under the Maximus study, civil papers were lost along with small claims, etc. so whenever a fee increase is posted, we will be compared to the private server. Ken Boles asked if the county trustee was charged for these, and Captain Bright said not that he is aware of. Steve Bean said he thinks they get waived those fees. Captain Bright said he is only aware of two buyers right now that the service is done for. Motion made by Merv Jacobs to approve and send a resolution raising the certified mailing of tax papers fee from \$10 to \$20 to the full board, seconded by Phil Hogan, and motion carried unanimously.

Zoning Administrator

Dan Lightner presented an Employee Suggestion Award Program which was previously presented at OPL, and they referred it to Finance. A handout was distributed. It is modeled from a State of Illinois program, and the way it is written is open for revision. The method of submitting a suggestion and to who has been questioned previously; whether it should be the board chairman or someone else in his stead would be up to committee members along with the schedule of payments.

Dan said the award amounts on the schedule of payments do not mirror the state program since the award payments have been decreased to reflect the size of county government.

Chair Sampson asked where the money would come from for the awards. Dan said the line item the amount would be paid out of is open to suggestion, but he suggests the money be paid out of the line item that would save money pursuant to the suggestion. Amy Stockwell said she wanted to caution the committee that this needs to be done very carefully in terms of the mechanism for evaluating and scoring the suggestion since there could be disagreements as to whether or not the ideas are new, whose idea it is, and if it actually saves money. If such a program is done, Amy said there needs to be a group of people involved to set up the scoring and evaluating mechanism.

Ken Boles said if we are going to give money to employees, there may be some labor contract consequences which should be looked into first. Dan Lightner said he has been advised otherwise by Randy Waks and Ed Flynn, and they do not see any problems with the unions on the issue. Chair Sampson said he feels this is a proposal which should be worked out in OPL, and we were just asked to look at it to see if we thought there were any financial considerations.

Reflecting on what the finance committee's concern might be is more the mechanics and structure of how we plug this in the budget, line items, etc. especially if it is started in mid year. Issues raised by the auditor and others need to be addressed in OPL. Dan Lightner said some of the questions and concerns which have been raised, he does have proposals to help address even though it may not be what this or any other committee is looking for. As far as to whether it is a new suggestion or not or who may suggest something first, Dan said if the suggestions are made by email, the email will have a date and time generated by the network so there would be no argument as to who suggested it first. Regarding the line item from which the employee would be paid, Dan suggests taking care of it under a new budget. It is not urgent, and Dan feels it would help with employee morale knowing their efforts are appreciated since front-line workers are aware of things which department heads or elected officials are not. It is also possible no one would ever make a suggestion if a program was enacted.

Steve Bean said we were approached by unions in previous negotiations about doing this and it never went anywhere. He agrees with Dan that it works in the state, and AFSCME was interested maybe four years ago about doing a program like this; the state has had this for over 20 years and it has worked out well for them. Committee agreed to send it back to OPL since they do not have any major objections. Chair Sampson commended Dan Lightner for bringing this forward.

Chair Sampson

Chair Sampson said whatever is done in regard to the Judge's request for the automation increase, he is touching on a problem lurking below the surface of Macon County, our overall computer needs and capability and there is a committee looking at this. It is something which will be a big challenge in the coming years to find ways to pay for technological changes and improvements. With software, after two or three years it cannot be used anymore.

EMA

Phil Anello distributed a new grant application, IESMA EOC Grant for \$28,705, received on Friday evening through the Illinois Terrorism Task Force. He met with the auditor yesterday, and it is a grant to enhance the emergency operation center equipment. Eligible equipment includes a computer system, equipment to show audio visuals, projection of images and doing presentations in the emergency operation center. He is requesting appropriation and spending authority and realizes it cannot be voted on tonight since it was not on the agenda. He wants to make the committee aware and to ask for their support when it is put under new business on the board agenda for March 9, 2006. Merv Jacobs asked if Phil had to have approval by March 31, and Phil said he has to complete the grant by March 31. Chair Sampson said if it is not put under new

business at the March 9 board meeting, it would be lost. Merv Jacobs asked if purchasing new equipment would cause Phil to hire new personnel, and Phil said no. Merv asked about this since we will not get the \$28,700 every year and he worries about state grants since they get everyone all set up and then walk the next year.

NEXT MEETING

The next meeting is scheduled for Tuesday, April 4, 2006, at 4:15 p.m.

ADJOURNMENT

Motion made by Merv Jacobs to adjourn, seconded by Bill Oliver, and motion carried unanimously.

Minutes submitted by Linda Koger
Macon County Board Office